PENSION PLAN

SUMMARY PLAN DESCRIPTION

SKADDEN
ARPS
SLATE
MEAGHER &
FLOM LLP & AFFILIATES

TABLE OF CONTENTS

INTRODUCTION

This summary plan description ("SPD") summarizes your rights under the Skadden, Arps, Slate, Meagher & Flom Pension Plan (the "Plan"), as in effect as of January 1, 2003, and is meant to help you understand how the Plan operates. Please read it carefully and keep it for future reference. This SPD replaces all prior versions of the Plan's SPDs.

However, it is the Plan document itself which determines your rights and the rights of your beneficiaries under the Plan. If there is any conflict between this SPD and the Plan document, the Plan document will control. If you are no longer an active employee or Partner with the Firm, your rights and the rights of your beneficiaries are determined under the Plan document in effect at the time you Separated from Service.

DEFINITIONS

Various terms used throughout this Summary Plan Description are as follows:

1. **Break in Service** - Break in Service is a concept which is used under the Plan (i) for determining your eligibility for continued participation in the Plan, (ii) for determining your vested interest in your accrued benefit, and (iii) for determining the reinstatement of any previously forfeited amounts upon reemployment.

   For participation purposes, you will incur a Break in Service in a Plan Year during which you do not complete at least 501 Hours of Service with the Firm and you cease to be employed by, or a Partner of, the Firm.

   Service prior to a Break in Service may be disregarded in certain circumstances. (See "Reinstatement of Benefits After Reemployment" beginning on page 6.)

2. **Compensation** - Compensation for any Plan Year is an amount equal to your total pay, which includes your base salary, overtime pay and bonuses but excludes any Firm contribution made for you to any welfare, benefit or insurance plan maintained by the Firm ("CHOICE Dollars"). For Partners, Compensation is defined generally as net earnings from the Firm. The law imposes limits on the amount of Compensation that may be taken into account for Plan purposes. In 2005 the maximum limit of Compensation is $210,000, but for future years this limit will be subject to periodic adjustments in increments of $5,000 to reflect increases in the cost of living. Compensation received prior to the date you become a participant is not included in this definition.

3. **Designated Firm Director** - A Firm Director who is designated by the Firm as an Eligible Employee.

4. **Domestic Partner** - A Domestic Partner shall have the same meaning as in the Firm's Domestic Partner Policy. A copy of the Firm's current Domestic Partner Policy is available on theSlate or by calling the Employee Benefits Department, NY office.

5. **Eligible Employee** - Any employee of the Firm (other than a Legal Employee) and any Partner.

6. **Hours of Service** - You will be credited with an Hour of Service for each hour you are paid or entitled to payment by the Firm. This includes certain periods such as vacation, holiday and illness even though you performed no duties. The number of Hours of Service credited to you during a Plan Year will be determined by records maintained by the Firm.

7. **Legal Employee** - An employee who is designated by the Firm as a Special Counsel, an Associate, a Firm Director (other than a Designated Firm Director), or an Of Counsel (other than an Of Counsel who was a participant in the Plan as of December 31, 2001). Legal Employees are not eligible to participate in the Plan.

8. **Plan Year** - A 12-month period beginning on January 1 and ending on December 31.

9. **Separation from Service** - A participant ceasing to be employed by, or to serve as a Partner of, the Firm.

10. **Spouse** - A person to whom a Participant is married and as defined in the federal Defense of Marriage Act of 1996, which states that a "spouse is a person of the opposite sex who is a husband or a wife."

11. **Years of Service** - You will be credited with one (1) Year of Service for each Plan Year during which you complete at least 1,000 Hours of Service with the Firm and are at least 18 years of age. Years of Service are calculated from your date of hire.

BACKGROUND

The Plan is a defined benefit plan which is a "cash balance plan". For all active participants, a bookkeeping account is established with a beginning value of $0. For each Year of Service you complete after becoming a participant, your account grows with Interest Credits and Service Credits, as described on Appendix A.

The Plan has been designed to meet your specific needs:

- It's an important source of income for your financial security at retirement.
- It's easy to understand, operating like a bank account with your benefit expressed in dollars and cents.
- It provides a meaningful benefit to participants of all ages.
- It's portable so that if you leave the Firm with at least five (5) Years of Service, you have the option of taking your benefit with you in a lump sum.

ELIGIBILITY AND PARTICIPATION

If you are an Eligible Employee, you will become a participant on the first "entry date" (January 1 or July 1 of each year) after you attain the age of 21 and complete at least 1,000 Hours of Service with the Firm during the 12-month period beginning on your date of hire (see Example 1, below). If you meet the service but not the age requirement, you will become a participant as of the January 1 or July 1 entry date immediately following your 21st birthday, provided you are an Eligible Employee on that date. If you meet the age but not the service requirement in your first year of employment, you will become a participant on the January 1 after you complete 1,000 Hours of Service in a Plan Year, provided you are an Eligible Employee on that date (see Example 2, below).

Example 1: Employee A was hired by the Firm on June 1, 2003 at the age of 25. Between June 1, 2003 and May 31, 2004, Employee A completed 1,500 Hours of Service. Inasmuch as Employee A completed at least 1,000 Hours of Service during the 12-month period starting on his employment commencement date, he became a participant on July 1, 2004.

Example 2: Employee B was hired by the Firm on August 10, 2002 at the age of 21. Between August 10, 2002 and August 9, 2003, Employee B completed 800 Hours of Service. However, during the Plan Year of 2003 (January 1, 2003 to December 31, 2003) she completed 1,000 Hours of Service. Thus, Employee B became a participant on January 1, 2004.

Even if you are an Eligible Employee, you are an "excluded employee," and therefore not eligible to participate in the Plan, if you are (i) a non-resident alien or (ii) a leased employee. A leased employee is a person who is not an employee of the Firm but who, nevertheless, provides services to the Firm which would normally be performed by an employee of the Firm.

VESTING

Vesting is your right to keep the pension benefits you have earned even if you Separate from Service before retirement. You become vested in your pension benefits according to the following schedule:

Years of Service	Vested Percentage
Fewer than 5	0%
5 or more	100%

You also become fully vested (100%) in your pension benefits if, while actively employed, you:

- reach age 65; or
- become totally and permanently disabled; or
- die

- the placement of a child with you in connection with your adoption of that child,
- caring for a child for a period following his or her birth or adoption

If you incur a Break in Service because of one of the reasons stated above, you will be credited with up to 501 Hours of Service to avoid a break in that year, or in the following year if you don't need to take advantage of this rule in the year in which your absence began. This rule only helps you to avoid a Break in Service. It does not make you eligible for a Service Credit.

The Family & Medical Leave Act - If your absence is due to a leave under the Family and Medical Leave Act of 1993, you will receive credit for the hours that would otherwise have been credited during that leave. In this case as well, this rule only helps you to avoid a Break in Service. It does not make you eligible for a Service Credit.

Military Leave - If you go on military leave and return to work before your veteran's reemployment rights end, the period of your absence will generally count as service for all purposes. Therefore, this rule may allow you to avoid a Break in Service and/or to be eligible to receive a Service Credit.

BENEFIT FORMULA

When you become a participant, a bookkeeping account ("basic account") is set up for you with a beginning value of $0. For each future year you work and complete 1,000 Hours of Service, your basic account will be credited with a dollar amount (a "Service Credit") for that year. If you retire or terminate prior to December 31 of any year but after completing at least 1,000 Hours of Service in that year, you will receive a Service Credit for the year based on your Compensation through your date of separation. Appendix A explains your benefit formula in greater detail.

RETIREMENT ELIGIBILITY

Normal Retirement

Your Normal Retirement Date is the first day of the month on or after your 65th birthday. If you retire on your Normal Retirement Date, you may elect to receive your pension payments in any of the optional forms described on page <u>9</u> provided that you have obtained the proper spousal consent, if applicable.

You generally will begin to receive your pension benefits on the first day of the month following your retirement provided your election form is filed at least thirty (30) days prior to your benefit commencement date as described under "Standard Notice/Waiver of Standard Notice" on page <u>11</u>.

Early Retirement

If you have attained age 55 and have completed at least ten (10) Years of Service with the Firm, you may retire on the first day of any month before your Normal Retirement Date. This is referred to as your Early Retirement Date. If you elect to retire on or after your Early Retirement Date, you may elect to receive your pension payments in any of the optional forms described on page 9 provided that you have obtained the proper spousal consent, if applicable.

If you elect Early Retirement, you generally will begin to receive your pension benefits on the first day of the month following your retirement provided your election form is filed at least thirty (30) days prior to your benefit commencement date as described under "Standard Notice/Waiver of Standard Notice" on page 11. You also may elect, prior to the date payments would otherwise commence, to defer payment of your pension until the first day of any month thereafter, but no later than December 1 of the year following the year you attain age 65.

Deferred Retirement

Although the Plan provides that age 65 is your Normal Retirement Date, you may continue to work beyond that age. If you are still employed at age 65, you will be offered a one-time election to commence receipt of your pension benefit earned to age 65. All options described under "Payment Of Benefits" on page 8 will be available to you under this one-time election option. If you elect to commence your pension benefit, increased benefits attributable to additional service credits earned after age 65 will be paid when you retire from the Firm. If you do not elect to commence receipt of your pension benefit under this one-time election at age 65, you will be considered to be on a Deferred Retirement, and will be unable to commence receipt of your pension benefit until you subsequently retire or attain age 70½ (see below).

Age 70½ Option

Once you attain age 70½, if you did not elect to commence receipt under the one-time age 65 option described under "Deferred Retirement" above, you may elect to receive a distribution from the Plan as of the end of that year (or at the end of any subsequent Plan Year) provided that (a) you make this election by December 1st of the year in which you attain age 70½ (or any subsequent year), and (b) you did not work 1,000 hours in the particular year (or based on your anticipated work schedule, you are not expected to work 1,000 hours in the following year). If you elect to commence receipt of your benefit under this age 70½ option, and if you subsequently work sufficient hours to earn an additional Service Credit, then your benefit will be increased to reflect any additional benefit you earn.

PAYMENT OF BENEFITS

Normal Form of Benefit Payments

Except for lump sum payments, your benefits under the Plan are based on the pension equivalent of your account balance at the time you retire (i.e., your account balance is converted into a monthly pension benefit using actuarial factors). The normal form of benefit payment you receive depends upon your marital status at the time your benefit payment begins. If you are not married, your pension benefit normally is paid to you in equal monthly installments for your lifetime

only. If you are married, your pension benefit normally is paid to you in the form of a 50% qualified joint and survivor annuity. The 50% qualified joint and survivor annuity means that you will receive a monthly pension benefit for the rest of your life. When you die, your spouse, if then living, will receive a monthly pension benefit for the balance of his or her life in an amount equal to 50% of the amount you received.

During the 60-day period ending one (1) month prior to your benefit commencement date, you may elect not to receive your pension benefit in the form of a 50% qualified joint and survivor annuity, subject to your spouse's notarized consent to waive this form of benefit. This election may be changed at any time prior to the date your benefit commences as described under "Standard Notice/Waiver of Standard Notice" on page 11.

Eligibility for Optional Forms of Benefit Payments

Participants who Separate from Service with Vested Account Balances Greater Than $5,000

Instead of receiving your pension benefit under the normal forms of payment described above, you may be eligible to elect an optional form of payment. Eligibility to elect these optional forms of payment depends on your age at the time your benefit payment(s) begins.

If you are at least 55 years of age on your Benefit Commencement Date, you may elect one (1) of the following payment options. Remember, if you are married on your Benefit Commencement Date, your spouse's notarized consent is required for any payment option other than the 50% qualified joint and survivor option.

If your vested account balance is greater than $5,000, the following optional forms of benefit payments are available to you:

Optional Forms of Benefit Payments

- A ***lump sum*** payment is a one-time distribution equal to your account balance on your Benefit Commencement Date. Once this distribution is made, no further distributions are payable.

- A ***level annuity*** is a pension benefit paid to you for life. The dollar amount of such annuity is determined by dividing your account by an actuarial factor provided by the Plan's actuary.

- A ***period certain*** option is a reduced pension benefit to be paid to you for your life. These payments are guaranteed for at least 5, 10 or 15 years, as you choose. Upon your death after your pension benefit begins, but before the expiration of the chosen period, the pension will be continued to your beneficiary during the remainder of the period you elected. If you elect this form of benefit payment, your account will be converted to a level annuity and then converted to a period certain using certain actuarial factors.

- A ***joint annuity*** option is a reduced pension benefit that will be paid to you for life. Upon your death, either 50%, 75% or 100% (depending on your election) of the

amount of your monthly payments will continue to be paid to your beneficiary for his or her life. If you elect this form of benefit payment, your account will be converted to a level annuity and then reduced by applying certain actuarial factors.

Please note: **If your beneficiary is not your spouse, these factors will be reduced for each year that the beneficiary's age is more than five (5) years younger than your age.**

- An ***increasing annuity*** option is a reduced pension benefit that will be paid to you for your life. In Plan Years subsequent to the year in which your monthly pension benefit commences, your benefit amount will increase by 1/12th of the interest rate used by the Pension Benefit Guaranty Corporation for valuing immediate annuities, multiplied by the number of monthly payments made in the preceding Plan Year. If you elect this form of benefit payment option, your account will be divided by a factor based on your age as stated in the Appendix to the Plan.

If you are not eligible for Normal or Early Retirement, instead of receiving your pension in the normal form of payment, your only alternative option is to elect to receive your pension benefit as a lump sum payment. A lump sum payment is a one-time payment equal to the vested portion of your account balance. Whether you elect your benefit in the normal form of monthly installments or a lump sum payment, if you are not eligible for Normal or Early Retirement, your benefit payment(s) will commence on or about the first day of the fourth month following your Separation from Service.

Participants who Separate from Service with Vested Account Balances Greater Than $1,000 but Less Than or Equal to $5,000

If your vested account balance is greater than $1,000 but less than or equal to $5,000, you will be required to take a total distribution (i.e., a lump sum distribution) of your vested account balance on your Benefits Commencement Date and neither you nor your spouse, if applicable, will be entitled to any further benefit payments from this Plan. Forms will be provided to you prior to your commencement date so that you can provide instructions as to either pay your benefit to you, an eligible employer plan, or an IRA of your choosing. If your instructions are not received by the Employee Benefits Department by the date specified, your account automatically will be transferred via direct rollover into an Individual Retirement Account (IRA) as permitted by law. The IRA provider for the Pension Plan is American Express Trust Company. Once transferred into the IRA, your balance will be subject to the terms of the IRA as follows:

- **IRA Investment Vehicle**:
  American Express Cash Reserve Certificate (the "Certificate") which is designed to preserve principal and provide a reasonable rate of return consistent with liquidity, and seeks to maintain, over the term of the investment, the dollar value that is equal to the amount invested. In the event the Certificate is no longer offered within the American Express IRAs, American Express Trust may substitute another investment that is designed similar to the Certificate.

- **IRA Fees and Expenses**: any custodial fees or expenses associated with the IRA will be the responsibility of the IRA owner (i.e., the participant whose account balance was automatically transferred via direct rollover into the IRA).

If you have a pre-existing IRA with American Express, your account will be transferred into a sub-account of that pre-existing IRA.

Participants who Separate from Service with Vested Account Balances Equal to or Less Than $1,000

If your vested account balance is equal to $1,000 or less and your payment instructions are not received by the Employee Benefits Department, your vested account balance will be paid to you however, 20% Federal income tax will be withheld from the taxable portion of your distribution.

Standard Notice / Waiver of Standard Notice

In order to begin receiving benefits, you are required to receive certain information about the optional forms of benefit payments available to you and about the qualified joint and survivor benefit at least 30 days before, but no more than 90 days before, the date as of which your benefit will be paid (your "Benefit Commencement Date"). You also are required to return your elections (along with any required spousal consent) before your Benefit Commencement Date. These requirements were established to comply with federal regulations governing pension plans. However, those regulations allow these requirements to be waived in certain circumstances. If you are married, you have the right to consider for at least 30 days after the date you receive the notice (the "Notice Date"), whether to receive your benefit as a joint and survivor annuity (with your spouse designated survivor annuitant), or whether to elect a different optional form of benefit payment. You also have the right to consider for at least 30 days after the Notice Date, when to elect to receive your benefit. You have the right to revoke your election at any time before the Benefit Commencement Date.

You may waive your rights to wait the 30-day period described above. If you waive this waiting period, and if the 30-day period described above ends after the Benefit Commencement Date you elect, you will receive benefits retroactive to the Benefit Commencement Date. However, these retroactive payments may not actually be paid before eight (8) days after the Notice Date described above, if this eight (8) day period ends after the Benefit Commencement Date. You have the right to revoke your election at any time before the Benefit Commencement Date, or until eight (8) days after the Notice Date if later.

Lump Sum Distributions

If you elect to receive your benefit payment in the form of a lump sum, you may request that all or a portion of the lump sum be transferred via direct rollover into an individual retirement account (IRA) of your choosing or into another eligible employer's plan. The relevant information regarding the tax consequences of receiving benefits under the Plan or having your benefits transferred to an IRA or another eligible employer's plan will be provided to you on or about the time you are entitled to a distribution.

Disability

The Plan does not provide disability benefits. However, if, in accordance with the provisions of the Plan, you have been determined to be disabled, you will become 100% vested in your account balance. This means that you may elect to begin receiving your pension benefit at that time or defer such payments to a later date (but not beyond age 65). The various payment options available are described earlier in this section (see page 9).

SUSPENSION OF BENEFITS

If you are rehired by the Firm after you begin to receive monthly pension payments, your benefit will be suspended upon rehire, unless you are at least age 65 at the time of your rehire. If you are at least age 65 when you are rehired, you have the option to elect to have your pension payments suspended. This option is a one-time election. Generally, if you elect to have your pension payments suspended upon rehire, your pension payments may not begin again until your subsequent Separation from Service or until you attain age 70 ½. For more information, see "Deferred Retirement" and "Age 70½ Option" beginning on page 8.

NAMING A BENEFICIARY

A beneficiary is the person who will receive the value of your account in the event of your death before your account has been distributed to you. If you are not married, you can name anyone as your beneficiary.

The law requires that, if you are married, your spouse must be named as your beneficiary unless you and your spouse agree to the designation of a different beneficiary, in which case the law requires your spouse's written, notarized consent. The Internal Revenue Code requires a notice and election period for a beneficiary designation of someone other than your spouse (if you are married). You will receive a written notice with your annual benefit statement each year that explains the effect of naming a beneficiary other than your spouse and the conditions that may make such designation invalid. Such election is valid only if it is made after you turn age 35 or after you terminate employment. If you are married, the beneficiary you name may not be changed without further spousal consent. If you are not married, you may change your beneficiary designation from time to time, without notice to such beneficiary. If you are not married now but later become married, a new form will have to be completed at that time.

If your spouse's consent is not received, the law requires that the Plan pay benefits to your surviving spouse in the event of your death regardless of whom you named as beneficiary. If your marital status changes, you should notify the Employee Benefits Department and review your beneficiary designation.

You may change your beneficiary at any time by submitting a new Beneficiary Designation/Change Form. This form is available on theSlate under the Benefits Home site or you may obtain a form from the Employee Benefits Department, NY office.

DEATH BENEFITS

In The Event of Your Death Prior To Retirement

In the event of your death prior to your retirement, the Plan will pay your beneficiary your account balance. You become 100% vested in your account balance if you die while actively employed regardless of your Years of Service prior to your death. If you are not married upon your date of death or if you are married and named a beneficiary other than your spouse, your benefit will be paid in the form of a lump sum soon after your death. If you are married on the date of your death and your spouse is your beneficiary, or if you have a designated Domestic Partner on file with the Firm (in accordance with the Firm's Domestic Partner Policy) and named your Domestic Partner as your beneficiary, your benefit will be paid in the form of a level annuity for your spouse's or Domestic Partner's lifetime. However, your spouse or Domestic Partner may elect to receive the benefit in a lump sum payment instead of a lifetime monthly annuity. Remember, if you are married when you die, your spouse must be your beneficiary unless you previously obtained written notarized spousal consent to name a different beneficiary.

In the Event of Your Death After Retirement

The Plan does not provide for a death benefit in the event of your death after you have retired and your pension has commenced, unless the method of payment you selected provides for continuing payments to be made. Benefit payments continue to be paid to a designated beneficiary under the qualified joint and survivor option and/or the period certain option depending upon your benefit payment election (see page 9).

LEGAL AND ADMINISTRATIVE OVERVIEW

This Summary Plan Description summarizes the highlights of the Skadden, Arps, Slate, Meagher & Flom Pension Plan. It does not attempt to cover every detail. Complete details can be found only in the formal Plan document, which governs the operation of the Plan. Being a participant in the Plan does not give an employee the right to remain employed by the Firm.

This section includes information about the administration of the Plan and your rights under the Employee Retirement Income Security Act of 1974 (ERISA).

Plan Administrator

The administration of the Pension Plan is the responsibility of the Plan Administrator. The Skadden, Arps, Slate, Meagher & Flom Retirement Committee is the Plan Administrator. You can contact the Plan Administrator as follows:

Skadden, Arps, Slate, Meagher & Flom LLP
Retirement Committee
Four Times Square
New York, NY 10036
(212) 735-3000

Cost of Administering the Plan

The Firm intends to pay certain expenses of administering the Plan. To the extent that the administrative costs of the Plan are not paid by the Firm, they will be paid out of the Trust Fund.

Funding

An enrolled actuary determines the funding requirements of the Plan. Skadden, Arps, Slate, Meagher & Flom LLP provides all of the required funding for the Plan. Benefits under this Plan are provided through a Trust Fund. The current Trustees for this Plan are Stuart N. Alperin, Charles M. Fox, James A. Levitan, William S. Rubenstein and Earle Yaffa.

Investment of Funds

The Trustees of the Pension Plan are authorized to invest the Firm contributions in a variety of investment vehicles. The Trustees also are authorized to hire money managers to invest all or any portion of the funds.

Non-Assignment of Benefits

Under this Plan you or your beneficiary may not assign, sell, transfer ownership of, or use your benefits as collateral for a loan. Furthermore, to the maximum extent permitted by law, creditors may not attach your benefits under this Plan as a means of collecting debts. However, benefits will be paid according to a valid Qualified Domestic Relations Order (QDRO) if properly served on the Plan. A QDRO is an order or judgment from a state court directing the Plan Administrator to pay all or a portion of a participant's Plan benefits to a former spouse or dependent.

Plan Continuance

The Firm expects to continue the Plan, but reserves the right to amend or terminate it at any time. If the Plan is amended, benefits you have earned prior to the amendment will be protected. If the Plan is terminated, you immediately will become fully vested in any unvested portion of your account balance.

Federal Pension Insurance

Benefits under this Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal retirement benefits, early retirement benefits, and certain disability and survivor's benefits. However, the PBGC does not guarantee all types of benefits, and the amount of benefit protection is subject to certain limitations.

The PBGC generally guarantees vested benefits at the level in effect on the date the Plan terminates. However, if the Plan terminates before the benefit formula or any other aspect of the guaranteed benefit has been in effect for five (5) years, the whole amount of the benefit increase may not be guaranteed. In addition, there is a ceiling on the amount of monthly benefit that the PBGC guarantees, which is adjusted periodically.

For more information about the PBGC insurance protection and its limitations, you should contact the Firm's Director of Employee Benefits or write to the PBGC. Inquiries to the PBGC should be addressed to: Administrative Review and Technical Assistance Branch, Insurance Operations Division, PBGC, 1200 K. Street, N.W., Washington, D.C. 20005. The PBGC Administrative Review and Technical Assistance Branch, Insurance Operations Division may also be reached by calling (202) 326-4000.

Employer Identification Number

The Internal Revenue Service has assigned the Employer Identification Number 13-1777230 to Skadden, Arps, Slate, Meagher & Flom LLP. If you need to correspond with a government agency about the Plan, use this number along with the Plan name and the Firm's name.

Agent For Service of Legal Process

Any legal process against the Plan in the event of an unresolved dispute over Plan provisions should be served on:

Skadden, Arps, Slate, Meagher & Flom LLP
Retirement Committee
Four Times Square
New York, NY 10036

Appealing a Claim

If you feel an error has occurred in your records or in processing your application, you should be aware that an appeals procedure is available to every employee.

If your application for benefits is denied in whole or in part, the Plan Administrator will notify you or your authorized representative within 90 days of receiving your application. If special circumstances require an extension of time for processing your claim, you will receive written notice of the extension and the reasons for it before the end of the initial 90 days. The extension will not exceed a period of 90 days from the end of the initial 90 day period. If you do not receive a response to your application within this time limit, you should assume that the application has been denied, and you can begin your appeal.

If you are denied a claim for benefits, you will receive in writing, (a) an explanation of the specific reason(s) for the denial, (b) specific references to pertinent Plan provisions on which the denial is based, (c) a description of any additional material or information necessary for you to establish properly the claim and an explanation of why such material or information is necessary, and, (d) an explanation of the steps you or your beneficiary can take to submit the claim for review.

To appeal a denied claim, you or your authorized representative must, within 60 days of receiving the notice of denial, submit a written request to the Plan Administrator asking that your application be reconsidered. At this time, you or your authorized representative will have the right to review all pertinent Plan documents and submit issues and comments in writing. Also, whenever possible, you should send copies of any document or records that support your appeal.

A decision regarding your appeal will be made within 60 days (or, in unusual circumstances, 120 days) after receiving your appeal. The final decision will be furnished in writing and will include the reasons for the decision with reference to those Plan provisions upon which the final decision was based.

YOUR RIGHTS UNDER ERISA

As a participant in the Skadden, Arps, Slate, Meagher Flom Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants be entitled to:

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as work sites, all Plan documents, including copies of all documents filed by the Plan with the U.S. Department of Labor, such as detailed annual reports and Plan descriptions.

- Obtain copies of all Plan documents and other Plan information upon written request to the Plan Administrator. The Plan Administrator may make a reasonable charge for the copies.

- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each member with a copy of this summary annual report.

- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once a year. The Plan Administrator must provide the statement free of charge.

In addition to creating rights for Plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit Plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including the Firm, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA. If your claim for a pension benefit is denied in whole or in part you must receive a written explanation of the reasons for the denial. You have the right to have the Plan review and reconsider your claim. Under ERISA there are steps you can take to enforce the above rights. (For instance, if you request materials from the Plan and do not get them within 30 days, you may file suit in federal court. In such a case, the court may require the Firm to provide the materials and to pay you up to $100 a day until you receive the materials, unless the materials were not sent for reasons beyond the control of the Firm.) If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. If it should happen that Plan fiduciaries misuse the Plan's money or if you are discriminated against for asserting your rights, you may seek assistance from the United States Department of Labor, or you may file suit in federal court. The court will decide who should pay the court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and

fees, for example, if it finds your claim is frivolous. If you have any questions about your Plan, you should contact the nearest area office of the United States Labor-Management Services Administration, Department of Labor.

REQUIRED LEGAL INFORMATION

Under the Employee Retirement Income Security Act of 1974 (ERISA), each employee is to be provided with certain details about benefit plans. This information follows. If you need additional information, please contact the Plan Administrator or your local U.S. Department of Labor.

Name of Plan:	Skadden, Arps, Slate, Meagher & Flom Pension Plan
Plan Type:	Defined Benefit Plan
Plan Year	January 1 through December 31
Type of Administration:	Trusteed
Plan Trustees and Titles:	Stuart N. Alperin, Partner William S. Rubenstein, Partner Earle Yaffa, Managing Director
Trustees' Business Address:	Skadden, Arps, Slate, Meagher & Flom LLP Four Times Square New York, NY 10036
Plan Identification Number:	002
Employer Identification Number:	13-1777230
Plan Contact:	Skadden, Arps, Slate, Meagher & Flom LLP Four Times Square New York, NY 10036 Att: Employee Benefits Department (212) 735-3000

APPENDIX A

Service Credits

★ **Basic Credit Schedule For "Support Staff" Employees (other than Designated Firm Directors):**

The following table shows the percentage of Compensation that will be your Service Credit based on your Years of Service as of December 31 of each year:

Years of Service	Percentage of Compensation
Fewer than 5	3%
5 to 9	4%
10 to 14	5%
15 or more	6%

If you become a participant on July 1 of any Plan Year, your annual service credit for that Plan Year is based on your Compensation from July 1 through December 31 provided you work at least 1,000 hours during the Plan Year.

★ **Additional One-Time Basic Credit Schedule For "Support Staff" Employees (other than Designated Firm Directors):**

In the year you first become a participant, you are eligible to receive a one-time Additional Basic Credit. This Additional Basic Credit is based on the number of full months you are a participant in the Plan from the date you enter the Plan through the end of the Plan Year you first become a participant. The following table shows the percentage of Compensation that will be your Additional Basic Credit. Remember that only your Compensation during the period of participation will be taken into account in determining your Additional Basic Credit.

Full Months of Participation	Percentage of Compensation
1	45.000%
2	22.500%
3	15.000%
4	11.000%
5	9.000%
6	7.500%
7	6.420%
8	5.625%
9	5.000%
10	4.500%
11	4.090%
12	3.750%

Example: Support Staff Employee A became a participant in the Plan January 1, 2004 after completing a Year of Service from her hire date, July 5, 2002. As of December 31, 2004, Employee A participated in the Plan for 12-months, and had been credited with 2 Years of Service. Her Compensation (base pay plus

overtime and bonus) for 2004 is $40,000. Since Employee A worked at least 1,000 hours in 2004, her Service Credits for 2004 would be as follows:

January 1, 2004 account balance:		$ 0
Service Credit for 2004 ($40,000 x 3%)	+	$1,200
Additional One-Time Basic Credit ($40,000 x 3.75%)	+	$1,500
December 31, 2004 year-end account balance		$2,700

★ **Basic Credit Schedule For Designated Firm Directors: 15% of Compensation**

Example 1: Employee F, who is a Designated Firm Director, has participated in the Plan and had an account balance of $50,000 as of January 1, 2004. Employee F has Compensation for 2004 of $150,000. Since the interest credit rate in 2004 is 8%, his account balance as of December 31, 2004 would be calculated as follows:

January 1, 2004 account balance:		$ 50,000
Interest Credit for 2004 on the January 1, 2004 balance: ($50,000 x 8%)	+	$ 4,000
Service Credit for 2004 made at end of year: ($150,000 x 15%):	+	$ 22,500
December 31, 2004 year-end account balance		$ 76,500

Assuming Employee F's Compensation increases to $157,000 for 2005 and the interest credit is 8%, here's what will happen in the following year:

January 1, 2005 account balance:		$ 76,500
Interest Credit for 2005 on the January 1, 2005 balance: ($76,500 x 8%)	+	$ 6,120
Service Credit for 2005 made at end of year: ($157,000 x 15%):	+	$ 23,550
December 31, 2005 year-end account balance		$106,170

Interest Credits

In addition to the Firm's annual Service Credits, your account will be credited with interest each December 31 (an "Interest Credit"). The applicable interest rate will be determined and announced at the beginning of each Plan Year. The interest credit rate for the 2005 Plan Year is 8%.

Example 2: Employee G had participated in the Plan and had an account balance of $1,750 as of January 1, 2004. As of December 31, 2004, Employee G is 30 years old, has been credited with five (5) Years of Service and had Compensation (base pay plus overtime and bonus) for 2004 of $35,000. Since the interest credit rate in 2004 was 8%, his year-end account balance would be calculated as follows:

January 1, 2004 account balance:	$	1,750
Interest Credit for 2004 on the January 1, 2004 balance: ($1,750 x 8%)	+ $	140
Service Credit for 2004 made at end of year: ($35,000 x 4%):	+ $	1,400
December 31, 2004 year-end account balance	$	3,290

Assuming Employee G's Compensation increases to $37,000 for 2005 and the "Interest Credit" is 8%, here's how Employee G's account balance will grow:

January 1, 2005 account balance:	$	3,290
Interest Credit for 2005 on the January 1, 2005 balance: ($3,290 x 8%)	+ $	263
Service Credit for 2005 made at end of year: ($37,000 x 4%):	+ $	1,480
December 31, 2005 year-end account balance	$	5,033

Interest Credits will continue to apply to your account balance after you Separate from Service and elect not to commence receipt of your benefit. However, if you elect to commence your benefit, a pro-rata interest credit is applied to your prior December 31 account balance in the year you commence receipt of your benefit. The rate is equal to the annual rate divided by 12 and multiplied by the number of complete months during the year and prior to the date your benefit payments begin.

Grandfathered Benefit

If you were a participant in the Plan in 1991, were at least 45 years old at that time (i.e., were born before 1947) and had completed at least five (5) Years of Service by December 31, 1991, you are a "grandfathered" participant. A "grandfathered" participant's pension benefit will be the larger of:

(i) your benefit calculated under the prior plan's formula, or

(ii) the benefit derived from your account produced by the applicable formula set forth above in this Appendix A.